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# BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

REMOVING PRIORITY MAIL INTERNATIONAL
REGIONAL RATE BOXES – NON-PUBLISHED RATES
FROM THE COMPETITIVE PRODUCT LIST, AND
REMOVING PRIORITY MAIL INTERNATIONAL
REGIONAL RATE BOXES (PMI RRB) CONTRACTS
FROM THE COMPETITIVE PRODUCT LIST

Docket No. MC2023-45

REQUEST OF THE UNITED STATES POSTAL SERVICE TO REMOVE PRIORITY MAIL INTERNATIONAL REGIONAL RATE BOXES – NON-PUBLISHED RATES AND PRIORITY MAIL INTERNATIONAL REGIONAL RATE BOXES (PMI RRB) CONTRACTS FROM THE COMPETITIVE PRODUCT LIST

(November 10, 2022)

The Postal Service hereby submits to the Commission, in accordance with 39 U.S.C. § 3642 and 39 C.F.R. § 3040.130 *et seq.*, a request to remove MCS section 2510.9 Priority Mail International Regional Rate Boxes – Non-Published Rates as well as MCS section 2510.11 Priority Mail International Regional Rate Boxes (PMI RRB) Contracts from the competitive product list. The removal of these subsections from the MCS conforms with the elimination of Priority Mail Regional Rate Boxes, effective January 22, 2023, that is set forth in Governors' Decision No. 22-6, which was included in the Postal Service's Notice of Changes in Rates and Classifications of General Applicability for Competitive Products, filed on November 10, 2022, in Docket No. CP2023-42.1

<sup>&</sup>lt;sup>1</sup> Decision of the Governors of the United States Postal Service on Changes in Rates and Classifications of General Applicability for Competitive Products Governor's Decision No. 22-6, in USPS Notice of Changes in Rates and Classifications of General Applicability for Competitive Products, Docket No. CP2023-42, November 10, 2022.

In accordance with 39 U.S.C. § 3642 and 39 C.F.R. § 3040.130 *et seq.*, 39 C.F.R. § 3020.30 *et seq.*, the Postal Service hereby requests that the Commission remove:

- MCS section 2510.9 Priority Mail International Regional Rate Boxes –
   Non-Published Rates and
- MCS section 2510.11 Priority Mail International Regional Rate Boxes
   (PMI RRB) Contracts

from the competitive product list.

Pursuant to 39 C.F.R. § 3.4(f), the removal is authorized by Governors' Decision No. 19-1, a redacted copy of which is included as Attachment A to this Request. An Application for Nonpublic Treatment, with respect to Governors' Decision No. 19-1, is included as Attachment B. A Statement of Supporting Justification, which demonstrates that the Request fulfills the criteria set forth in 39 U.S.C. § 3642 for making changes to the competitive product list, is included as Attachment C. The proposed Mail Classification Schedule (MCS) language appears as Attachment D. As provided in 39 U.S.C. § 3642(d)(1), a notice describing the Request is being published in the *Federal Register*.

As discussed in the accompanying Statement of Supporting Justification, the Postal Service is requesting the removal of MCS sections 2510.9 and 2510.11 from the competitive product list, as a result of the elimination of the Priority Mail Regional Rate Box that is set forth in Governors' Decision No. 22-6, included in the Postal Service's Notice of Changes in Rates and Classifications of General Applicability for Competitive Products, filed on November 10, 2022, in Docket No. CP2023-42.

The Postal Service therefore requests that MCS section 2510.9 Priority Mail International Regional Rate Boxes – Non-Published Rates as well as MCS section 2510.11 Priority Mail International Regional Rate Boxes (PMI RRB) Contracts, be removed from the competitive product list in the MCS. As described in the Statement of Supporting Justification, the proposed changes satisfy the criteria set forth in 39 C.F.R. § 3040.132.

In accordance with 39 U.S.C. § 3642(d)(1), the Postal Service will also publish notice of its request in the *Federal Register*.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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November 10, 2022

DECISION OF THE GOVERNORS OF THE UNITED STATES POSTAL SERVICE ON THE ESTABLISHMENT OF PRICES AND CLASSIFICATIONS FOR DOMESTIC COMPETITIVE AGREEMENTS, OUTBOUND INTERNATIONAL COMPETITIVE AGREEMENTS, INBOUND INTERNATIONAL COMPETITIVE AGREEMENTS, AND OTHER NON-PUBLISHED COMPETITIVE RATES (GOVERNORS' DECISION NO. 19-1)

February 7, 2019

#### STATEMENT OF EXPLANATION AND JUSTIFICATION

Pursuant to our authority under section 3632 of title 39, as amended by the Postal Accountability and Enhancement Act of 2006 ("PAEA"), we establish new prices not of general applicability for certain of the Postal Service's competitive service offerings, and such changes in classification as are necessary to implement the new prices.

This decision establishes new prices for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates. Domestic Competitive Agreements consist of negotiated service agreements with Postal Service customers for domestic services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Outbound International Competitive Agreements consist of negotiated service agreements with Postal Service customers for outbound international services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Inbound International Competitive Agreements consist of negotiated service agreements with foreign postal operators or other entities for inbound international services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Other Non-Published Competitive Rates consist of rates not of general applicability that are not embodied in contractual instruments.

With respect to any product within the above categories, management is hereby authorized to prepare any necessary product description, including text for inclusion in the Mail Classification Schedule, and to make all necessary regulatory filings with the Postal

| Regulatory Commission. |  |
|------------------------|--|
|                        |  |
|                        |  |
|                        |  |
|                        |  |
|                        |  |

The Postal Accountability and Enhancement Act (PAEA) requires that prices for competitive products must cover each product's attributable costs, not result in subsidization by market dominant products, and enable all competitive products to contribute an appropriate share to the Postal Service's institutional costs. For agreements subject to this Decision, there are hereby established prices that will enable each agreement to cover at least 100 percent of the attributable costs for the relevant product and that conform in all other respects to 39 U.S.C. §§ 3632-3633 and 39 C.F.R. §§ 3015.5 and 3015.7. As discussed in the accompanying management analysis, the Chief Financial Officer (or his delegee(s)) shall certify that all cost inputs have been correctly identified for prices subject to this Decision and that all prices subject to this Decision conform to this Decision and to the requirements of the PAEA.

No agreement, grouping of functionally equivalent agreements, or other classification authorized pursuant to this Decision may go into effect unless it is submitted to the Postal Regulatory Commission with a notice that complies with 39 U.S.C. § 3632(b)(3). On a semi-annual basis, management shall furnish the Governors with a report on all non-published rate and classification initiatives, as specified in the accompanying Management Analysis. Not less than once each year, the Governors shall review the basis for this Decision and make such further determination as they may deem necessary. This Decision does not affect postal management's obligation to furnish to the Board of Governors information regarding any significant new program, policy, major modification, or initiative, or any other matter under 39 C.F.R. § 3.7(d), including where such a matter also falls within the scope of this Decision.

Attachment A to Postal Service Request PRC Docket No. MC2023-45

This Decision supersedes previous Governors' Decisions setting classifications and rates not

of general applicability for competitive products; however, prices and classifications

established under those Decisions may continue to be offered until the expiration of their

terms, and contractual option periods and extension provisions that are included in the

existing and future agreements can continue to be exercised.

ÖRDER

In accordance with the foregoing Decision of the Governors, the new prices and terms set

forth herein for Domestic Competitive Agreements, Outbound International Competitive

Agreements, inbound International Competitive Agreements, and Other Non-Published

Competitive Rates and the changes in classification necessary to implement those prices,

are hereby approved and ordered into effect. An agreement or other nonpublished rate

and classification initiative is authorized under this Decision only if the prices fall within

this Decision and the certification process specified herein is followed. Prices and

classification changes established pursuant to this Decision will take effect after filing with

and completion of any necessary review by the Postal Regulatory Commission.

By The Governors:

Robert M. Duncan

Chairman, Board of Governors

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### Attachment A

Management Analysis of Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates

This analysis concerns the inbound competitive prices and classifications in the Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (collectively, "competitive instruments"). Competitive instruments are often negotiated with customers and foreign postal operators for better cost coverage, higher overall contribution, and improved service with respect to postal services classified as competitive. They may also arise from other sources, such as the Universal Postal Convention.

|                   | or each competitive agreement or grouping of functionally equivalence (rely, each "product") will be |
|-------------------|--|
| The cost coverage | or a product equals  |
|                   |  |

Each competitive instrument may have multiple price categories and negotiated components. Examples of such categories or components would be Priority Mail, Priority Mail Express, Parcel Return Service, Parcel Select, First-Class Package Service, First Class Package International Service, Commercial ePacket Service, Priority Mail International, Priority Mail Express International, International Priority Airmail, International Surface Air Lift, Inbound Parcel Post, Inbound Direct Entry, and Inbound EMS services. These or other categories may include other services that the relevant customer or foreign postal operator offers to its customers under differing terms, but that nevertheless are processed and delivered in the same manner within the United States Postal Service's network. Such instruments may also establish negotiated rates for services ancillary to such items and for customized competitive services developed for application solely in the context of the agreement.



established by these formulas should not interfere with competitive products' ability as a whole to comply with 39 U.S.C. §3633(a)(3), which, as implemented by 39 C.F.R.§ 3015.7(c), requires competitive products to contribute a minimum percentage to the Postal Service's total institutional costs. Accordingly, no issue of subsidization of competitive products by market dominant products should arise from 39 U.S.C. §3633(a)(1).

The Postal Service shall submit a semi-annual report to the Governors. The report shall include information on the cost coverage for each agreement or initiative that has been executed under the authority of Governors' Decision 19-1. Agreements classified as non-published rates or rate ranges may be reported as a collective grouping; all other agreements or initiatives are to be reported separately. The report shall also include cost coverage information on any agreements and nonpublished initiatives established under previous numbered Governors' Decisions and Resolutions.

# UNITED STATES POSTAL SERVICE OFFICE OF THE BOARD OF GOVERNORS

# CERTIFICATION OF GOVERNORS' VOTE ON GOVERNORS' DECISION NO. 19-1

Consistent with 39 USC 3632(a), I hereby certify that the following Governors voted in favor of Governors' Decision No. 19-1:

Robert M. Duncan David C. Williams

Michael J. Elston

Secretary of the Board of Governors (A)

Date

7 February 2019

# APPLICATION OF THE UNITED STATES POSTAL SERVICE FOR NON-PUBLIC TREATMENT OF MATERIALS

In accordance with 39 C.F.R. § 3011, the United States Postal Service (Postal Service) hereby applies for non-public treatment of the unredacted Governors' Decision included with this filing. The Postal Service hereby furnishes the justification required for this application by 39 C.F.R. § 3011.201(b), as enumerated below.

For the reasons discussed, the Postal Service asks that the Commission grant its application for non-public treatment of the identified materials.

(1) The rationale for claiming that the materials are non-public, including the specific statutory provision(s) supporting the claim, and an explanation justifying application of the provision(s) to the materials.

The materials designated as non-public consist of information of a commercial nature, which under good business practice would not be publicly disclosed. In the Postal Service's opinion, this information would be exempt from mandatory disclosure pursuant to 39 U.S.C. § 410(c)(2) and 5 U.S.C. § 552(b)(3). Because the portions of materials filed and to be filed non-publicly in this docket fall within the scope of information not required to be publicly disclosed, the Postal Service asks the Commission to support the Postal Service's determination that these materials are exempt from public disclosure and grant the Postal Service's application for their non-public treatment.

Information of a commercial nature, which under good business practice would not be publicly disclosed, as well as third party business information, are not required to be disclosed to the public. 39 U.S.C. § 410(c)(2); 5 U.S.C. § 552(b)(4). The

<sup>&</sup>lt;sup>1</sup> In appropriate circumstances, the Commission may determine the appropriate level of confidentiality to be afforded to such information after weighing the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets. 39 U.S.C. § 504(g) (3) (A).

Commission may determine the appropriate level of confidentiality to be afforded to such information after weighing the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets. 39 U.S.C. § 504(g)(3)(A).<sup>2</sup> Because the portions of materials filed non-publicly in this docket fall within the scope of information not required to be publicly disclosed, the Postal Service asks the Commission to support its determination that these materials are exempt from public disclosure and grant its application for their non-public treatment.

(2) A statement of whether the submitter, any person other than the submitter, or both have a proprietary interest in the information contained within the non-public materials, and the identification(s) specified in paragraphs (b)(2)(i) through (iii) of this section (whichever is applicable). For purposes of this paragraph, identification means the name, phone number, and email address of an individual.<sup>3</sup>

The Postal Service believes that there are no third parties that have a proprietary interest in the materials, because the materials submitted do not include specific proprietary information of any third party.

(3) A description of the information contained within the materials claimed to be non-public in a manner that, without revealing the information at issue, would allow the Commission to thoroughly evaluate the basis for the claim that the information contained within the materials are non-public.

Governors' Decision No. 19-1 is being filed under seal in this docket. A redacted copy of the Governors' Decision, which is in accordance with Order No. 5553 in Docket

<sup>&</sup>lt;sup>2</sup> The Commission has indicated that "likely commercial injury" should be construed broadly to encompass other types of injury, such as harms to privacy, deliberative process, or law enforcement interests. PRC Order No. 194, Second Notice of Proposed Rulemaking to Establish a Procedure for According Appropriate Confidentiality, Docket No. RM2008-1, Mar. 20, 2009, at 11.

No. CP2020-120,<sup>4</sup> is being filed publicly in this docket. The Postal Service maintains that the redacted portions of the Governors' Decision should remain confidential.

The redacted portions of the Governors' Decision protect the costs authorizing International Competitive contracts, and the analysis of those costs.

# (4) Particular identification of the nature and extent of the harm alleged and the likelihood of each alleged harm alleged to result from disclosure.

If the redacted information were to be disclosed publicly, the Postal Service considers that it is quite likely that it and the customer would suffer commercial harm.

The information is commercial sensitive, and the Postal Service does not believe that it would be disclosed under good business practices.

Revealing this information would provide a competitive advantage to competitors of the Postal Service The Postal Service considers that it is highly probable that if this information were made public, such entities would take immediate advantage of it and there is a substantial risk that the Postal Service would lose business as a result.

Additionally, postal customers could use the information to their advantage in negotiating the terms of their own agreements with the Postal Service. The Postal Service considers these to be highly probable outcomes that would result from public disclosure of the redacted material.

# (5) At least one specific hypothetical, illustrative example of each alleged harm.

Identified harm: Public disclosure of the price formula, underlying cost structure, and information in Governors' Decision No. 19-1 would be used by competitors and customers to the detriment of the Postal Service.

<sup>&</sup>lt;sup>4</sup> Notice of the United States Postal Service in Compliance with Order No. 5553, Docket No. CP2020-120, June 24, 2020.

Hypothetical: A competing package delivery service or its representative obtains a copy of the unredacted version of Governors' Decision No. 19-1. It analyzes the decision to determine what the Postal Service would have to charge its customers to meet its minimum statutory obligations for cost coverage and contribution to institutional costs. The competing package delivery service then sets its own rates for products similar to what the Postal Service offers its customers under that threshold and markets its ability to guarantee to beat the Postal Service on price for similar delivery services.

# (6) The extent of the protection from public disclosure alleged to be necessary.

The Postal Service maintains that the redacted portions of the materials filed non-publicly should be withheld from persons involved in competitive decision-making in the relevant market for parcel and expedited services, as well as their consultants and attorneys. Additionally, the Postal Service believes that actual or potential customers of the Postal Service for this or similar products should not be provided access to the non-public materials.

# (7) The length of time for which non-public treatment is alleged to be necessary with justification thereof.

The Commission's regulations provide that non-public materials shall lose non-public status ten years after the date of filing with the Commission, unless otherwise provided by the Commission. 39 C.F.R. § 3011.401(a). However, because the Postal Service's relationships with customers often continue beyond ten years or decades, the Postal Service intends to oppose requests for disclosure of these materials pursuant to 39 C.F.R. § 3011.401(b-c).

(8) Any other relevant factors or reasons to support the application.

None.

# Conclusion

For the reasons discussed, the Postal Service asks that the Commission grant the Postal Service's application for non-public treatment of the identified materials.

# Statement of Supporting Justification

- I, Frank Cebello, Manager, International Products & Major Accounts, sponsor the Postal Service's request that the Postal Regulatory Commission ("Commission") remove MCS section 2510.9 Priority Mail International Regional Rate Boxes Non-Published Rates as well as MCS section 2510.11 Priority Mail International Regional Rate Boxes (PMI RRB) Contracts from the competitive product list. This statement supports the Request by providing the information required by each applicable subsection of 39 C.F.R. § 3040.132, as indicated below. I attest to the accuracy of the information contained herein.
- (a) Demonstrate why the change is not inconsistent with the applicable requirements of 39 C.F.R. Part 3040 and any applicable Commission directives and orders.

As demonstrated below in subsections (b) through (i), the change complies with the applicable regulations and statutory provisions.

(b) Explain why, as to market dominant products, the change is not inconsistent with each requirement of 39 U.S.C. 3622(d), and that it advances the objectives of 39 U.S.C. 3622(b), taking into account the factors of 39 U.S.C. 3622(c).

Because the Request concerns changes to the competitive product list, this subsection is not applicable.

(c) Explain why, as to competitive products, the addition, deletion, or transfer will not result in the violation of any of the standards of 39 U.S.C. 3633.

Section 3633 sets forth three standards for competitive products. Subsection (a)(1) prohibits the subsidization of competitive products by market-dominant products. Subsection (a)(2) requires each competitive product to cover its attributable costs.

Subsection (a)(3) requires that all competitive products collectively cover an appropriate share of Postal Service institutional costs.

Because no agreements are currently listed as in effect in MCS section 2510.9 Priority Mail International Regional Rate Boxes – Non-Published Rates and MCS section 2510.11 Priority Mail International Regional Rate Boxes (PMI RRB) Contracts, the removal of these sections from the MCS should not result in the subsidization of competitive products by market-dominant products. Furthermore, because no agreements are currently listed in these MCS sections, there are currently no attributable costs, as well as no revenue, associated with these sections of the MCS. Therefore, the removal of these sections from the MCS should be in accordance with the requirements set forth in paragraphs (a)(1) and (2) of Section 3633.

As to subsection (3) of Section 3633, given that there are no agreements in effect in these two sections of the MCS, their removal from the competitive product list will not cause competitive products to cover less than their required share of the Postal Service's institutional costs. Accordingly, their removal from the competitive product list satisfies the requirements of subsection (a)(3) of Section 3633.

(d) Verify that the change does not classify as competitive a product over which the Postal Service exercises sufficient market power that it can, without risk of losing a significant level of business to other firms offering similar products: (1) set the price of such product substantially above costs; (2) raise prices significantly; (3) decrease quality; or (4) decrease output.

As the products are being removed from the MCS, this is inapplicable; however, for more information, the Postal Service refers the Commission to the Statements of Supporting Justification included in the Postal Service's request to add MCS section 2510.9 Priority Mail International Regional Rate Boxes – Non-Published Rates to the

competitive product list in Docket Nos. MC2013-53 and CP2013-69,<sup>1</sup> as well as the Postal Service's request to add MCS section 2510.11 Priority Mail International Regional Rate Boxes (PMI RRB) Contracts to the competitive product list in Docket Nos. MC2015-31 and CP2015-40.<sup>2</sup>

(e) Explain whether or not each product that is the subject of the request is covered by the postal monopoly as reserved to the Postal Service under 18 U.S.C. 1696 subject to the exceptions set forth in 39 U.S.C. 601.

PMI RRB is intended primarily for merchandise, and any letters contained in such items would be covered by one or more exceptions or suspensions to the Private Express Statutes (PES). Moreover, there is a suspension to the PES for outbound international letters delivered by national postal administrations. See 39 CFR 320.8.

(f) Provide a description of the availability and nature of enterprises in the private sector engaged in the delivery of the product.

See part (d) above. Expedited shipping, similar to PMI RRB, is widely available from well-known and successful private firms at both published and contract prices.

(g) Provide any information available on the views of those who use the product on the appropriateness of the proposed modification.

While the Postal Service has no specific views from customers about the removal of MCS section 2510.9 Priority Mail International Regional Rate Boxes – Non-Published Rates and MCS section 2510.11 Priority Mail International Regional Rate Boxes (PMI RRB) Contracts, from the MCS, Postal Service Sales personnel have not received

<sup>&</sup>lt;sup>1</sup> See Request of the United States Postal Service to Add Priority Mail International Regional Rate™ Boxes – Non-Published Rates to the Competitive Product List and Notice of Filing Priority Mail International Regional Rate™ Boxes – Non-Published Rates Model Contract and Application for Nonpublic Treatment of Materials Filed Under Seal, Docket Nos. MC2013-53 and CP2013-69, June 25, 2013, at Attachment 3.

<sup>&</sup>lt;sup>2</sup> Request of the United States Postal Service to Add Priority Mail International Regional Rate Boxes Contracts to the Competitive Products List, and Notice of Filing (Under Seal) of Contract and Application for Non-Public Treatment of Materials Filed Under Seal, Docket Nos. MC2015-31 and CP2015-40, February 4, 2015, at Attachment 6.

interest in the product for some time, and the fact that customers are not availing themselves of this option suggests that market interest among customers is low to non-existent.

(h) Provide a description of the likely impact of the proposed modification on small business concerns.

There will be no impact on small business concerns. No Priority Mail

International Regional Rate Boxes – Non-Published Rates contracts were ever filed with
the Commission. Also, no Priority Mail International Regional Rate Boxes (PMI RRB)

Contracts have been signed since 2017, and none have been in effect since November
2018.

(i) Include such information and data, and such statements of reasons and bases, as are necessary and appropriate to fully inform the Commission of the nature, scope, significance, and impact of the proposed modification.

None.

# **CHANGES TO THE** MAIL CLASSIFICATION SCHEDULE (MCS) (Additions are underlined and deletions are marked with strike-through)

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\* Organizational group (not a Postal Service product) \* \* \* \* \* Outbound International\* Organizational group (not a Postal Service product)\* \* \* \* \* \* Priority Mail International Regional Rate Boxes—Non-Published Rates \* \* \* \* \* Priority Mail International Regional Rate Boxes Contracts Priority Mail International Regional Rate Boxes Contracts 1 \* \* \* \* **Outbound International** 2510 2510.2 **Negotiated Service Agreement Groups** \* \* \* \* \* Priority Mail International Regional Rate Boxes—Non-Published Rates (2510.9) \* \* \* \* \* Priority Mail International Regional Rate Boxes (PMI RRB) Contracts (2510.11) \* \* \* \* \*

# 2510.9 Priority Mail International Regional Rate Boxes—Non-Published Rates [Reserved]

# 2510.9.1 Description

- a. Priority Mail International Regional Rate Boxes—Non-Published Rates (PMI RRB—NPR) service is available through customized negotiated service agreements. Prices under a PMI RRB—NPR agreement depends upon a mailer's revenue commitment.
- b. PMI RRB—NPR negotiated service agreements provide tiered incentives for all destinations served by Priority Mail International Regional Rates Boxes.
- c. To qualify for a PMI RRB—NPR agreement, a mailer must be capable, on an annualized basis, of paying at least \$200,000.00 for Priority Mail International Regional Rates Boxes to the Postal Service under a PMI RRB—NPR agreement.
- d. A mailer must commit to tender varying minimum postage of Priority
  Mail International Regional Rates Boxes on an annualized basis
  under a PMI RRB—NPR agreement.
- e. Mail preparation requirements are similar to those required for a PMI Medium Flat Rate Box shipment, except that the mailer must use a Priority Mail Regional Rate Box A or B with the specified markings, subject to size and weight limitations specific to PMI RRB—NPR.
- f. Individual negotiated agreements must comply with the requirements specified in 39 U.S.C. § 3633.
- g. Individual negotiated agreements must be on file with the Commission within 10 days of their effective date.

### 2510.9.2 Size and Weight Limitations Requirements

|                         | Length  | Height   | Thickness | Weight    |
|-------------------------|---|--|-----------|-----------|
| Regional Rate Box A1    | Outside Dimen   |  |           | 10 pounds |
| <del>Rale bux A i</del> | Top Loaded: 10.125 x 7.125 x 5.0 inches Side Loaded: 13.0625 x 11.0625 x 2.5 inches |  |           |           |
| Regional                | Outside Dimensions:   |  |           | 20 pounds |
| Rate Box B1             | l '   | <del>12.25 x 10.5 x 5</del><br><del>16.25 x 14.5 x 3</del> |           |           |

#### **Notes**

1. Notwithstanding any markings on the package for domestic service, size, and weight limitations.

#### 2510.9.3 Minimum Volume Requirements

A PMI RRB—NPR customer who selects postage payment through a permit imprint using Postal Service-provided Global Shipping Software (GSS) is required to meet minimum volume or weight requirements established for presentation of a manifest mailing.

### 2510.9.4 Price Categories

The incentives are based on the customer's revenue commitment. Prices are subject to the terms and conditions of individual negotiated agreements. The non-published range of prices that may be offered to mailers are pre-approved and subject to regulatory review.

The following price categories are available for the product specified in this section:

PMI RRB—NPR

### 2510.9.5 Optional Features

Optional features are separately charged according to the published prices for each service at the time of mailing. The following additional postal services may be available in conjunction with the product specified in this section:

- Pickup On Demand Service
- International Ancillary Services (2615)
   → None

#### 2510.9.6 Prices

#### PMI RRB-NPR

Prices are subject to the terms and conditions of individual negotiated agreements.

Pickup On Demand Service

Add \$22.00 for each Pickup On Demand stop

### 2510.9.7 Products Included in Group (Agreements)

Each product is followed by a list of agreements included within that product.

 Priority Mail International Regional Rate Boxes—Non-Published Rates

Baseline Reference

Docket Nos. MC2013-53 and CP2013-69 PRC Order No. 1783, July 19, 2013

\* \* \* \* \*

# 2510.11 Priority Mail International Regional Rate Boxes (PMI RRB) Contracts [Reserved]

#### 2510.11.1 Description

- a. Priority Mail International Regional Rate Boxes (PMI RRB) Contracts provide prices to a mailer for PMI RRB to certain destinations
- b. Preparation requirements are the same as for all PMI shipments with the following exceptions:
  - The mailer is required to use PC Postage from an authorized PC Postage vendor, or any other method authorized by the Postal Service under the mailer's PMI RRB contract, for payment of postage.
  - The mailer may be required to prepare specific shipments according to country specific requirements.
  - The mailer may be required to tender shipments through limited acceptance channels.
  - Mail preparation requirements for PMI RRB are similar to those required for a PMI Medium Flat Rate Box shipment, except that the mailer must use a Priority Mail Regional Rate Box A or B with the specified markings, subject to size and weight limitations specific to PMI RRB that are set forth in the applicable PMI RRB Contract.
- c. The mailer must be capable of either tendering at least 5,000 pieces of international mail to the Postal Service, or paying at least \$100,000.00 in international postage to the Postal Service
- d. For a mailer to qualify, the contract must cover its attributable costs.

### 2510.11.2 Size and Weight Limitations

### Priority Mail International Regional Rate Box<sup>1</sup>

|                                     | Length  | Height | Thickness | Weight    |
|-------------------------------------|---|--------|-----------|-----------|
| Regional<br>Rate Box A <sup>1</sup> | Outside dimensions: Top Loaded: 10.125 x 7.125 x 5.0 inches Side Loaded: 13.0625 x 11.0625 x 2.5 inches |        |           | 10 pounds |
| Regional<br>Rate Box B¹             | Outside dimensions: Top Loaded: 12.25 x 10.5 x 5.5 inches Side Loaded: 16.25 x 14.5 x 3 inches          |        |           | 20 pounds |

#### **Notes**

1. Notwithstanding any marking on the package for domestic service, size, and weight limitations.

# 2510.11.3 Minimum Volume or Revenue Requirements

The mailer must commit to varying minimum volumes or postage of PMI RRB on a quarterly or annualized basis.

## 2510.11.4 Price Categories

The incentives are based on the volume or revenue commitment above a specified cost floor.

The following price categories are available for the product specified in this section:

PMI-RRB

#### 2510.11.5 Optional Features

Optional features are separately charged according to the published prices for each service at the time of mailing. The following additional postal services may be available in conjunction with the product specified in this section:

- Pickup On Demand Service
- International Ancillary Services (2615)

None

#### 2510.11.6 Prices

PMI RRB

Prices are subject to the terms and conditions of individual negotiated service agreements.

Pickup On Demand Service

See 2315.7

### 2510.11.7 Products Included in Group (Agreements)

Each product is followed by a list of agreements included within that product.

Priority Mail International Regional Rate Boxes Contracts 1

Baseline Reference
Docket Nos. MC2015-31 and CP2015-40
PRC Order No. 2364, February 24, 2015
Included Agreements